

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

UNITED STATES OF AMERICA : **CRIMINAL NO.** _____
v. : **DATE FILED:** _____
JOHN F. SCHENKEL, JR. : **VIOLATION:**
: **18 U.S.C. § 1344 (bank fraud - 1 count)**

I N F O R M A T I O N

COUNT ONE

THE UNITED STATES ATTORNEY CHARGES THAT:

At all times material to this information:

1. Defendant JOHN F. SCHENKEL, JR. worked as controller for three business entities: Ventresca Building, Ventresca Properties and Andover Estates (the “businesses”). All three operated from one address in Doylestown, Pennsylvania.
2. National Penn Bank was a financial institution, the deposits of which were insured by the Federal Deposit Insurance Corporation, certificate number 7414.
3. Progress Bank was a financial institution, the deposits of which were insured by the Federal Deposit Insurance Corporation, certificate number 30529.
4. Sovereign Bank was a financial institution, the deposits of which were insured by the Federal Deposit Insurance Corporation, certificate number 29950.
5. The businesses maintained a total of four checking accounts at the banks named above.
6. From at least in or about October 1999 through in or about February

2000, in the Eastern District of Pennsylvania and elsewhere, defendant

JOHN F. SCHENKEL, JR.

knowingly executed, and attempted to execute, a scheme to defraud Progress Bank, Sovereign Bank and National Penn Bank, and to obtain monies owned by and under the custody and control of Progress Bank, Sovereign Bank and National Penn Bank, by means of false and fraudulent pretenses, representations and promises.

THE SCHEME

7. From at least in or about October 1999 through in or about February 2000 defendant JOHN F. SCHENKEL, JR. planned and executed a scheme to fraudulently inflate bank account balances of the businesses through the exchange of worthless checks backed by insufficient funds among the above-described four checking accounts at Progress Bank, Sovereign Bank and National Penn Bank.

8. Defendant JOHN F. SCHENKEL, JR. drafted, or caused to be drafted, checks written against one of the four above-described business checking accounts for amounts which exceeded the account balance. He caused these checks to be deposited into one of the other three bank accounts, thereby causing the receiving account to reflect a falsely inflated balance. He then immediately used the falsely inflated balance to draft other checks on that account which he deposited into one of the other three accounts to falsely inflate the balances in those accounts.

9. By writing worthless checks against the four bank accounts which exceeded the available balances in these accounts, and causing the depositing of the worthless

checks into these accounts, defendant JOHN F. SCHENKEL, JR. was able to create a fraudulently inflated balance or “float” which ranged on a daily basis between \$1 million and \$2.5 million at these financial institutions when, in reality, the actual bank balances in these four accounts were negative.

10. Between October 1999 and February 2000, defendant JOHN F. SCHENKEL, JR. caused to be issued and deposited into the four above-described bank accounts approximately 288 worthless checks with a total face value of over \$237 million.

11. As a result of this scheme, Progress Bank (currently Bank of America) suffered a loss of approximately \$106,485.92.

All in violation of Title 18, United States Code, Section 1344.

PATRICK L. MEEHAN
UNITED STATES ATTORNEY